

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

LOYALTY CONVERSION SYSTEMS)	
CORPORATION,)	
)	
Plaintiff,)	Case No. 2:13-CV-655-JRG
)	(Lead Case)
v.)	
)	JURY TRIAL DEMANDED
AMERICAN AIRLINES, INC., et. al.,)	
)	
Defendants.)	

**DECLARATION OF ANN MARIE DUFFY IN SUPPORT OF DEFENDANTS'
MOTION TO STAY**

I, Ann Marie Duffy, declare under penalty of perjury under the laws of the United States that the following is true and correct:

1. The statements here reflect my present personal belief based on reasonable investigation and information presently known to me. If called as a witness, I could competently testify about these statements.
2. I am an attorney at law of the District of Columbia with the law firm of Mayer Brown LLP, 1999 K Street, N.W., Washington, D.C. 20006.
3. I am counsel for Defendants Delta Air Lines, Inc., United Airlines, Inc., Frontier Airlines, Inc., American Airlines, Inc., and US Airways, Inc. and am fully competent to make this declaration.
4. I submit this declaration in support of Defendants' Motion to Stay Proceedings and Memorandum in Support.
5. Defendants have filed petitions challenging the validity of U.S. Patent No. 8,313,023 ("the '023 Patent") and U.S. Patent No. 8,511,550 ("the '550 Patent") (the "Patents-in-Suit") with the Patent Trial and Appeal Board ("PTAB") under the Transitional Program for

Covered Business Method Patents, which have been verified and accorded a filing date.

6. Attached hereto as Exhibit 1 is a true and correct copy of the Petition Verification according a filing date for CBM2014-00095 of March 17, 2014.

7. Attached hereto as Exhibit 2 is a true and correct copy of the Petition Verification according a filing date for CBM2014-00096 of March 17, 2014.

8. Attached hereto as Exhibit 3 is a true and correct copy of *Inter Parte* Reexamination Filing Data, dated September 30, 2013 from www.uspto.gov.

9. Attached hereto as Exhibit 4 is a true and correct copy of the Corrected Petition for Covered Business Method Review filed with the USPTO for the '023 Patent.

10. Attached hereto as Exhibit 5 is a true and correct copy of the Corrected Petition for Covered Business Method Review filed with the USPTO for the '550 Patent.

11. Attached hereto as Exhibit 6 is a true and correct copy of the '023 Patent.

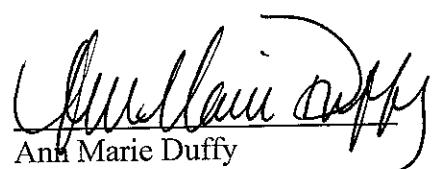
12. Upon information and belief, Defendants understand that plaintiff Loyalty Conversion Systems Corporation is a Delaware corporation with its principle place of business in Melville, New York. *See* Exhibit 7, attached hereto.

13. Upon information and belief, Defendants understand that both inventors of the Patents-in-Suit are located in Florida and have no connection to Texas. *See* Exhibits 8 and 9, attached hereto.

14. Attached hereto as Exhibit 10 is a true and correct copy of the '550 Patent

15. Upon information and belief, in 2013, only 0.1% of accused infringing activity for US Airways and United occurred in this District, and less than 0.5% of accused infringing activity occurred for Frontier and only 0.16% of accused activity occurred for Delta.

April 4, 2014



Ann Marie Duffy